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EXAMINER

STROUD, CHRISTOPHER

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UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

Ex parte BRYAN W. LEACH

Appeal 2015-003253
Application 13/571,150¹
Technology Center 3600

Before HUBERT C. LORIN, CYNTHIA L. MURPHY, and
SHEILA F. McSHANE, *Administrative Patent Judges*.

McSHANE, *Administrative Patent Judge*.

DECISION ON APPEAL

The Appellant seeks our review under 35 U.S.C. § 134(a) of the Examiner's decision to reject claims 1, 4–6, 9, 11, 12, 14–17, 19–25, and 33–38. We have jurisdiction under 35 U.S.C. § 6(b).

We AFFIRM.

¹ According to Appellant, the real party in interest is Ibotta, Inc. Appeal Brief filed September 29, 2014, hereafter “App. Br.,” 1.

BACKGROUND

The invention relates to generating and providing personalized purchase offers to users based on item-level purchase data. Abstract. The offers may be for the purchase of products, services, for instance, that are personalized or tailored to the customer receiving the offer. Specification, hereafter “Spec.,” ¶ 22.

Representative method claim 1 is reproduced from page 16 of the Appeal Brief (Claims App.) as follows, with emphasis added to the disputed limitations:

1. A method comprising:

receiving offer data from each of a plurality of offer providers, the offer data comprising a first offer to purchase an item, a credit amount associated with the first offer, and information specifying a subsidiary interaction to be taken by a prospective user with the first offer after receipt of the first offer by the prospective user, wherein the subsidiary interaction comprises presenting to the prospective user additional information that is not presented in the first offer, wherein the additional information relates to the item, and wherein the subsidiary interaction, when completed by the prospective user, automatically enables the first offer for redemption by the prospective user independently of other offers;

selecting a user of a plurality of users to receive the first offer based on data describing the user and the first offer;

transmitting the first offer to a communication device of the user based on the selecting of the user;

enabling the first offer for redemption by the user based on the user completing the subsidiary interaction;

obtaining an image of a physical retail receipt from the user;

performing optical character recognition on the image of the physical retail receipt to obtain item-level purchase data from the physical retail receipt;

comparing the item-level purchase data to item reference data;

mapping the item-level purchase data to the item reference data based on the comparing of the item-level purchase data to the item reference data to yield normalized item-level purchase data, the normalized item-level purchase data identifying the item referenced in the first offer;

matching the identified item from the normalized item-level purchase data with the first offer;

determining, using at least one processor of a machine, based on the matching of the identified item with the first offer and the enabling of the first offer, that the user has redeemed the first offer; and

causing a deposit of the credit amount in an account of the user in response to the determining that the user has redeemed the first offer.

In a Non-Final Rejection, under 35 U.S.C. §103(a) the Examiner rejects: claims 1, 4, 6, 9, 11, 12, 14–16, 19–25, 33, 37, and 38 as unpatentable over Comay², Marcus³, Novick⁴, and Anttila⁵; claim 5 over Comay, Marcus, Novick, Anttila, and Joa⁶; claim 17 over Comay, Marcus, Novick, Anttila, and Wane⁷; claim 34 is rejected over Comay, Marcus, Novick, Anttila, and Leff⁸; claim 35 over Comay, Marcus, Novick, Anttila, Leff, and Walker⁹; and, claim 36 over Comay, Marcus, Novick, Anttila, and Walker. The Examiner also rejects claim 37 under 35 U.S.C. § 101 as directed to non-statutory subject matter. Non-Final Action, hereafter “Non-Final Act.,” 2–11, mailed March 6, 2014; Answer, hereafter “Ans.,” 7–14, mailed June 11, 2014. In the Answer, the Examiner enters a new ground of rejection that rejects claims 1, 4–6, 9, 11, 12, 14–17, 19–25, and 33–38 under 35 U.S.C. § 101 as directed to non-statutory subject matter. Ans. 2–5. The Appellant exercises the option to maintain the appeal with the filing of a Reply Brief, with the Reply Brief addressing each ground of rejection under 37 C.F.R. § 41.39(b)(2). Reply Brief, hereafter “Reply Br.,” 2–16, filed December 9, 2014.

² US Publication 2011 /0166934 A1, published July 7, 2011.

³ US Publication 2011/0125561 A1, published May 26, 2011.

⁴ US Publication 2008/0065490 A1, published March 13, 2008.

⁵ US Patent 6,862,575 B1, issued March 1, 2005.

⁶ US Publication 2011/0208586 A1, published August 25, 2011.

⁷ US Patent 8,046,257 B2, issued October 25, 2011.

⁸ US Publication 2010/0318407 A1, published December 16, 2010.

⁹ US Publication 2003/0032476 A1, published February 13, 2003.

DISCUSSION

The Appellant argues the new ground of rejection under § 101 on the same issues, using claim 1 as representative. *See* Reply Br. 2–14. For claim 37, the Examiner presents additional findings for the rejection under § 101, which the Appellant disputes. *See* Non-Final Act. 2–3; App. Br. 11–12; Ans. 5–6. We will address the § 101 issues in a similar manner.

For the § 103 rejections, claims 1, 4, 6, 9, 11, 12, 14–16, 19–25, 33, 37, and 38 are argued by the Appellant using claim 1 as representative. App. Br. 13–25. Additional arguments are presented for claims 5, 17, and 34–36. *Id.* at 25–28. In light of our disposition of the obviousness issues, we need only address claim 1 as representative of the claims at issue.

35 U.S.C. § 101

The Examiner finds that claims 1, 4–6, 9, 11, 12, 14–17, 19–25, and 33–38 are rejected under 35 U.S.C. § 101 as are directed to non-statutory subject matter that does not amount to significantly more than an abstract idea because the steps of claim 1 of receiving offer data, selecting users, transmitting the offer, enabling the offer, obtaining an image, performing optical character recognition, comparing item data, mapping item data, matching items, determining the user redeemed the offer, and depositing a credit, are methods of organizing human activities and tied to the fundamental economic concept of advertising and offer redemption. Ans. 4. The Examiner also finds that the method steps of claim 1 do not qualify as “significantly more” because they only require a generic computer to perform generic computer functions. *Id.*

Claim 37 is rejected for substantially the same reasons as claim 1. *See* Ans. 5. Claim 37 is also rejected on additional basis that it recites a “tangible computer-readable storage medium comprising instructions,” and this medium encompasses both non-transitory tangible media and transient, propagating signals, where

transient signals are not patentable subject matter. Non-Final Act. 2; Ans. 7–8 (citing *In re Nuijten*, 500 F.3d 1346, 1356 (Fed. Cir. 2007)).

The Appellant asserts that claim 1 is not directed to an idea itself because it would not preempt the concept of advertising and offer redemption because only the set of specific technical operations as claimed would be preempted. Reply Br. 4–5. The Appellant also contends that the claim is not directed to an abstract idea because the information claimed can be physically perceived on a graphical interface unit, and is not mathematical formula or a fundamental economic practice. *Id.* at 6–8.

The Appellant further argues that even if there is a finding that the claim 1 is an abstract idea, the claim recites more than a generic computer, and includes specific operations to be performed. Reply Br. 9. The Appellant also alleges that claim 1 offers technical advantages by quickly deploying electronic offer campaigns that more effectively improve loyalty of customers, offering enhanced accuracy when processing data, therefore the invention improves an existing technological process. *Id.* at 10. Further, the Appellant contends that there is no preemption of every application of the idea of the claim. *Id.* at 12–13.

The Appellant additionally alleges that the Examiner’s rejection of claim 37 on the basis that the claimed “tangible computer-readable storage medium” is not patent eligible should be reversed because a computer-readable storage medium “is confined to tangible media for storing data,” and is distinguished from transient, propagating signals. App. Br. 12 (referring to Non-Final Act. 2). Further, it is argued that the term “storage” in claim 37 should be afforded weight. Reply Br. 14.

We find no reversible error with the Examiner’s findings. To provide context, 35 U.S.C. § 101 provides that a new and useful “process, machine, manufacture, or composition of matter” is eligible for patent protection. The

Supreme Court has made clear that the test for patent eligibility under Section 101 is not amenable to bright-line categorical rules. *See Bilski v. Kappos*, 130 S. Ct. 3218, 3229–30. There are, however, three limited, judicially-created exceptions to the broad categories of patent-eligible subject matter in § 101: laws of nature; natural phenomena; and abstract ideas. *See Mayo Collaborative Services v. Prometheus Labs., Inc.*, 132 S. Ct. 1289, 1293 (2012).

In *Alice*, the Supreme Court reiterated the framework set forth previously in *Mayo*, “for distinguishing patents that claim laws of nature, natural phenomena, and abstract ideas from those that claim patent-eligible applications of these concepts.” *Alice*, 134 S. Ct. at 2355 (citation omitted). Under *Alice*, the first step of such analysis is to “determine whether the claims at issue are directed to one of those patent-ineligible concepts.” *Id.* (citation omitted). If determined that the claims are directed to a patent-ineligible concept, the second step in the analysis is to consider the elements of the claims “individually and ‘as an ordered combination’” to determine whether the additional elements “‘transform the nature of the claim’ into a patent-eligible application.” *Id.* (citing *Mayo*, 132 S. Ct. at 1291, 1297). In other words, the second step is to “search for an ‘inventive concept’—i.e., an element or combination of elements that is ‘sufficient to ensure that the patent in practice amounts to significantly more than a patent upon the [ineligible concept] itself.’” *Id.* (citing *Mayo*, 132 S. Ct. at 1294).

With this context in mind, we evaluate the Examiner’s rejections of the claims at issue.

Claim 1 requires the receipt of offer data for purchasing an item and associated steps related to the offer for purchase, with incentives related to the offer such as credits claimed. *See* Claims App. 30–31. We find no reversible error with the Examiner’s findings that the claims are directed to advertising and offer redemption, which are fundamental economic practices and/or methods of

organizing human activity and are, therefore, an abstract idea. *See Ultramercial, Inc. v. Hulu, LLC*, 772 F.3d 709, (Fed. Cir. 2014). We are also not persuaded by the Appellant’s argument that the claims will not preempt the underlying idea of the concept of advertising and offer redemption, as only the set of specific technical operations as claimed would be preempted. Although it may be true that there are other methods of advertising and offer redemption, that issue is not dispositive as to whether the claims are patent eligible. *See Ariosa Diagnostics, Inc. v. Sequenom, Inc.*, 788 F.3d 1371, 1377 (Fed. Cir. 2015) (“While preemption may signal patent ineligible subject matter, the absence of complete preemption does not demonstrate patent eligibility.”). Furthermore, as to the issue of the use of a graphic interface, “any novelty in implementation of the idea is a factor to be considered only in the second step of the *Alice* analysis.” *Ultramercial*, 772 F.3d at 715.

As to the second step of the *Alice* analysis, the Appellant contends that the claims contain “significantly more” because claim 1 sets forth specific operations to be performed, and lists the steps and discusses them in a conclusory manner, but the Appellant fails to provide any additional explanation why the steps impart patentability. See Reply Br. 9. The Appellant also argues that the claim solves a technological problem in that it allows the quick deployment of electronic offer campaigns and offer a technical advantage for enhanced accuracy when processing data. *Id.* at 10–11. The Appellant, however, fails to provide support for its contention that the specific steps employ technology not already known or that anything more than a conventional computer with a conventional graphical interface would be required to perform the claimed functions. Simply using a computer to perform previously known processes will not transform an abstract idea into patent-eligible subject matter. *See Bancorp Servs. LLC v. Sun Life Assurance Co. of Canada*, 687 F.3d 1266, 1279 (Fed. Cir. 2012) (finding a claim

not patent-eligible when “the computer simply performs more efficiently what could otherwise be accomplished manually”).

We also concur with the Examiner’s findings and conclusions regarding claim 37, where the Examiner finds that “tangible computer-readable storage medium” encompasses transient, propagating signals because the information specified falls within the claim’s scope. *See* Ans. 7. We concur with the Examiner’s findings because, under the claim, for the signals associated with the instructions that cause the machine to perform, there is no limitation requiring non-transitory signals use. In the absence of a definition limiting the meaning or otherwise distinguishing the claim from a transitory medium, we agree that this medium can encompass a transitory signal. *See also, Ex parte Mewherter*, 2013 WL 4477509, at *3–*7 (PTAB 2013)(precedential).

Therefore, we sustain the rejections of claims 1, 4–6, 9, 11, 12, 14–17, 19–25, and 33–38 under 35 U.S.C. § 101

35 U.S.C. § 103

The Appellant argues that neither Anttila nor Novick disclose the limitation of claim 1 “wherein the subsidiary interaction, when completed by the prospective user, automatically enables the first offer for redemption by the prospective user independently of other offers.” App. Br. 14–17

Upon consideration of the evidence on this record, in light of the arguments advanced by the Appellant, we find that the Appellant has identified reversible error in the Examiner’s determination that the claims are obvious. Accordingly, we reverse the Examiner’s obviousness rejection of the claims for the reasons discussed below.

In rejecting claim 1, the Examiner parses the application of prior art to the claim elements, relying on Comay’s disclosures for teaching “receiving offer data”

“comprising a first offer to purchase an item” and “information specifying a subsidiary interaction,” and then on Novick for teaching “the offer data comprising a first offer to purchase an item . . . and information specifying a subsidiary interaction to be taken by a prospective user with the first offer after receipt of the first offer by the prospective user, wherein the subsidiary interaction comprises presenting to the prospective user additional information,” and finally on Anttila’s teaching of “wherein the subsidiary interaction, when completed by the prospective user, automatically enables the first offer for redemption by the prospective user independently of other offers.” Non-Final Act. 4.

The Appellant argues that neither Novick nor Anttila disclose a “subsidiary action,” as that term is employed in claim 1. App. Br. 15. We agree that the Appellant has the better part of the argument on this issue. The Examiner relies on the following portion of Anttila for the teaching of the “subsidiary action”

In order to draw more people into the store, the supermarket offers a discount for diapers which is advertised locally. In addition to the discount for diapers, customers who spread information about the discount also receive a coupon for a free cup of coffee in a coffee shop nearby. Accordingly, the service creates two coupons, one of which is a shareable diaper master coupon and a second is a free cup of coffee master coupon. Customers can acquire the coupons and place them in their wallets. *If the customer shares the diaper discount with three friends by placing them in three different wallets, the free cup of coffee coupon is activated.* Each coupon can then be redeemed at the appropriate business. *In this case, the cup of coffee coupon is activated by the actions of the coupon holder, that is, by sharing the different coupon with friends.*

See Non-Final Act. 4 (citing Anttila, 7:31–46 (emphasis added)).

The Examiner finds that the “subsidiary action” is sharing the coupon, which activates the coffee coupon, which is mapped to “the first offer” for—not the first diaper coupon—and activating the coffee coupon is independent of the other offer. See Non-Final Act. 4–5; Ans. 8.

The determination of whether the “wherein clause” is a limitation in a claim that should be afforded weight depends on the specific facts of the case. *See, e.g., Griffin v. Bertina*, 285 F.3d 1029, 1034 (Fed. Cir. 2002) (finding that a “wherein” clause limited a process claim where the clause gave “meaning and purpose to the manipulative steps”). Here, the claim limitations, including the wherein clauses, require interrelationships between the “first offer” and the “subsidiary action.” As an initial matter, the Examiner does not provide rationale as to why the differing offers of Comay, Novick, or Anttila should be considered to be interrelated as claimed. Moreover, the prior art does not teach the interrelated claim limitations as applied. The “first offer” is to “purchase an offer,” with a “subsidiary action to be taken with the first offer.” Claim 1 requires that the “subsidiary action” presents “additional information that is not presented in the first offer” and also that the “additional information relates to the item.” And, the “subsidiary interaction” when completed “automatically enables the first offer.” *See* Claims App. 30. The Examiner’s mapping of a “subsidiary action” to Anttila’s disclosure of sharing the diaper master coupon, which activates the coffee coupon, which is mapped to “the first offer,” fails to at least teach the claim limitation that the “first offer” is “to purchase an item” because there is no purchase involved in the free coffee offer. Additionally, the “subsidiary interaction” of sharing the coupons does not “present” “additional information that is not presented in the first offer.”

We therefore cannot sustain the rejections of representative independent claim 1, and independent claims 37 and 38 that contain similar limitations at issue, as well as dependent claims 4–6, 9, 11, 12, 14–17, 19–25, and 33–36 by virtue of their dependencies on claim 1.

SUMMARY

The rejection of claims 1, 4–6, 9, 11, 12, 14–17, 19–25, and 33–38 under 35 U.S.C. § 101 is affirmed.

The rejections of claims 1, 4–6, 9, 11, 12, 14–17, 19–25, and 33–38 under 35 U.S.C. § 103(a) are reversed.

No time period for taking any subsequent action in connection with this appeal may be extended under 37 C.F.R. § 1.136(a).

AFFIRMED